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DECISION

THE COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

CNG01399
DLG-04359

FILE: B-197380 DATE: April 10, 1980

MATTER OF: Appropriation and Authorization for Chrysler Corporation Loan Guarantee Program

DIGEST:

[Proper Construction of ?

1. H.J. Res. 467, Pub. L. 96-183, 93 Stat. 1319 (January 2, 1980), authorizing Chrysler Corporation Loan Guarantee Board to extend loan commitments and loan guarantees in amount up to $1.5 billion of contingent liability for loan principal outstanding at any one time and additional amounts for loan interest, satisfies requirement of section 15(b) of Chrysler Corporation Loan Guarantee Act, Pub. L. 96-185, §15(b), 93 Stat. 1335 (January 7, 1980), that Board's authority to make any loan guarantee "shall be limited to the extent such amounts are provided in advance in appropriation Acts."

2. Although long title of H.J. Res. 467, Pub. L. 96-183, 93 Stat. 1319 (January 2, 1980), states that H.J. Res. 467 provides financial assistance to Chrysler Corporation "for the fiscal year ending September 30, 1980," operative language of H.J. Res. 467 and its legislative history, read in conjunction with the Chrysler Corporation Loan Guarantee Act as a whole, is persuasive that the Board's authority to guarantee loans is not limited to 1980 fiscal year.

3. H.J. Res. 467, Pub. L. 96-183, 93 Stat. 1319 (January 2, 1980), provides authority to Chrysler Corporation Loan Guarantee Board to extend loan commitments and loan guarantees "in the amount of $1,500,000,000 of contingent liability for loan principal and for such additional sums as may be necessary for interest payments . . ." The $1.5 billion of contingent liability relates only to loan principal outstanding at any one time and any contingent liability incurred for loan interest is in addition thereto.

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Attorneys representing the Chrysler Corporation and potential underwriters of guaranteed Chrysler securities, which may be issued pursuant to the Chrysler Corporation Loan Guarantee Act of 1979, Pub. L. 96-185, 93 Stat. 1324 (January 7, 1980) (hereinafter cited as Guarantee Act), are understood to have raised several questions concerning the proper construction of House Joint Resolution 467, Pub. L. 96-183, 93 Stat. 1319 (January 2, 1980).

House Joint Resolution 467 (hereinafter cited as H.J. Res. 467) provides:

"JOINT RESOLUTION

"Making an urgent appropriation for administrative expenses of the Chrysler Corporation loan guarantee program, and to provide financial assistance to the Chrysler Corporation for the fiscal year ending September 30, 1980.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sum is appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending September 30, 1980:

DEPARTMENT OF THE TEASURY

BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

CHRYSLER CORPORATION LOAN GUARANTEE PROGRAM

"For necessary administrative expenses as authorized by the Chrysler Corporation Loan Guarantee Act of 1979, $1,518,000. Total loan commitments and loan guarantees may be extended in the amount of $1,500,000,000 of contingent liability for loan principal and for such additional sums as may be necessary for interest payments, and commitment is hereby made to make such appropriations as may become necessary to carry out such loan guarantees."

I

The first question is whether H.J. Res. 467 satisfies the requirement of section 15(b) of the Guarantee Act. Section 15(b) limits the amount of loan guarantees the Board may make available to that amount "provided in advance in appropriation Acts." The section does not by its terms require for its satisfaction an appropriation of funds that are immediately available for withdrawal from the Treasury. The requirement of section 15(b) would appear to be satisfied if Congress authorizes the Board to incur obligations, in specified amounts, in advance of appropriations.

During the floor debates on the Guarantee Act, the Chairman of the Senate Budget Committee, Senator Muskie, commented in some detail on an Administration request for an appropriation for such sums as may be necessary to pay principal and interest on guaranteed loans in the event of Chrysler's default thereon. 125 Cong. Rec. S19188 (daily ed., December 19, 1979). He pointed out that under the proposed legislation, S. 2094, Congress had the choice either to appropriate funds at the outset or not. Instead of enacting an appropriation at the outset, Congress could provide the necessary authority simply by limiting the amount available for loan guarantees.

We have no doubt that the second sentence of H.J. Res. 467 is intended to and does satisfy the requirements of section 15(b) of the Guarantee Act. As explicitly noted in the report of the House Appropriations Committee, H.J. Res. 467 "provides the necessary authority for the Federal Government to enter into guaranteed loan agreements in an amount not to exceed $1.5 billion for loan principal." H.R. Rep. 96-719, 96th Cong. 1st Sess. 1 (1979). See also 125 Cong. Rec. H12375, H12376 (daily ed., December 20, 1979)(remarks of Mr. Whitten and Mr. Slack, respectively).

II

The second question concerns the long title of H.J. Res. 467 which reads:

> "Making an urgent appropriation for administrative expenses of the Chrysler Corporation loan guarantee program, and to provide financial assistance to the Chrysler Corporation for the fiscal year ending September 30, 1980."

Does this language restrict the Board's authority to make loan commitments and loan guarantees, found in the second sentence of the operative language of H.J. Res. 467, to fiscal year 1980, or does the restriction apply only to the appropriation of funds for administrative expenses?

The formal statement of resolution to appropriate a specific sum, for the Board's administrative expenses, explicitly states that such sum is "for the fiscal year ending September 30, 1980." In contrast, the operative language that provides authority for loan guarantees does so without reference to fiscal year limitation. To infer from this contrast an intent to authorize the Board to make loan guarantees after September 30, 1980, runs counter to the express language of the long title. However, courts generally accord little weight to long titles in matters of statutory interpretation (see, e.g., Railroad Trainmen v. Baltimore & O. R. Co., 331 U.S. 519, 528-529 (1947)). Furthermore, our impression of the Guarantee Act, enacted only five days after the joint resolution and considered contemporaneously with it, is that (taken as a whole the Guarantee Act contemplates not only that if funds are appropriated to cover guarantees they shall "remain available without fiscal year limitation" (see section 15(a)), but also that if such appropriations are not enacted, the authority provided in an appropriation act to issue guarantees is expected to be coterminous with the authority of the Board under section 16 of the Guarantee Act to issue guarantees until December 31, 1983.

In view of the above, we believe resort to the legislative history of the Joint Resolution is essential to ascertain if the long title of that resolution represents an intentional contradiction of the statutory scheme we glean from the Guarantee Act.

As originally introduced, the second sentence of H.J. Res. 467 read as follows:

> "During fiscal year 1980, the total commitments to guarantee loans may be extended in the amount of $1,500,000,000 of contingent liability for loan principal." See H.R. Rep. 96-719, 96th Cong. 1st Sess. 1 (1979)

The House Appropriation Committee amendment specifically deleted the limitation on the Board's authority to extend loan commitments and guarantees only "[d]uring fiscal year 1980." H. Rep. 96-719, supra at 1. The apparent purpose of the amendment is to conform H.J. Res. 467 to the statutory scheme anticipated for the Guarantee Act. See 125 Cong. Rec. H12376 (daily ed. December 20, 1979)(remarks of Mr. Slack) ("These changes are necessary in order to carry out the program as the House authorizing bill contemplates.") In light of this action, the contrasts inherent in and we believe relative insignificance of the long title, and reading the Guarantee Act as a whole and in conjunction with the Joint Resolution, we conclude that the phrase "for the fiscal year ending September 30, 1980" which appears in the long title of H.J. Res. 467 does not restrict the Board to making guarantees only prior to September 30, 1980, and instead has application only to the appropriation of funds for administrative expenses.

III

The third question is whether H.J. Res. 467 placed a ceiling of $1.5 billion on the sum of the loan principal outstanding at any one time and the interest thereon that could be guaranteed. As originally introduced in the House, the resolution provided the necessary authority for "total commitments to guarantee loans * * * in the amount of $1,500,000,000 of contingent liability for loan principal" without any mention of interest payments. Subsequent amendment in the House Committee on Appropriations changed H.J. Res. 467 to its present form, adding, insofar as pertinent here, the phrase "and for such additional sums as may be necessary for interest payments" immediately after "$1,500,000,000 of contingent liability for loan principal."

The purpose and language of the amendment is ambiguous. The amendment may be taken to mean that the $1.5 billion is the total amount the Board may guarantee, including both the principal and such additional sums as may be necessary for interest payments. It also may be read with equal facility to mean that the Board may extend guarantees both of $1.5 billion for loan principal, and of such additional sums as may be necessary for interest payments. The possibilities did not go unnoticed during the passage of H.J. Res. 467.

The report accompanying the amended version of H.J. Res. 467 to the floor of the House states that the joint resolution provides the Board with the necessary authority to enter into loan agreements "in an amount not to exceed $1.5 billion for loan principal." H. Rep. No. 96-719, 96th Cong., 1st Sess 1 (1979). On the floor of the House, Congressman Bauman argued that the language of H.J. Res. 467 limits the amount available for loan guarantees to $1.5 billion for both principal and interest. 125 Cong. Rec. H12377 (daily ed., December 20, 1979). Both the Chairman of the House Appropriations Committee and several of its members disagreed. See generally 125 Cong. Rec. H12375-12379 (daily ed., December 20, 1979). The following colloquy between Congressman Bauman and Congressman Slack, Chairman of the Subcommittee on State, Justice and Commerce of the House Appropriations Committee, is illustrative:

> "Mr. BAUMAN. * * * Mr. Speaker, could we have an answer from the committee chairman or the subcommittee chairman as to their interpretation of the language in the committee amendment?
>
> "Mr. SLACK. Mr. Speaker, will the gentleman yield?
>
> "Mr. BAUMAN. I yield to the gentleman from West Virginia.
>
> "Mr. SLACK. Mr. Speaker, I can only cite the gentleman section 8(a) of the authorizing legislation, which reads as follows:

> 'The authority of the Board to extend loan guarantees under this act shall not at any time exceed $1,500,000,000 in the aggregate principal amount outstanding.'
>
> "That means that the interest is on top of it, in accordance with the authorizing legislation.
>
> "Mr. BAUMAN. I disagree Mr. Speaker. The authorizing bill does not control this appropriation before us. The correct interpretation of the committee amendment already adopted by the House is clearly that this bill, places a cap on principal and such additional sums as may be necessary for interest payments for a total of $1.5 billion.
>
> "Mr. SLACK. Mr. Speaker, will the gentleman yield?
>
> "Mr. BAUMAN. I yield to the gentleman from West Virginia.
>
> "Mr. SLACK. Mr. Speaker, the intent of the amendment was to place a cap of $1.5 billion on the loan principal.
>
> "Mr. BAUMAN. That may have been the intent, but that is not what it says.
>
> "Mr. SLACK. Mr. Speaker, I do not interpret it the way the gentleman does." 125 Cong. Rec. H12377 (daily ed., December 20, 1979).

Shortly after this colloquy, Mr. Whitten, Chairman of the House Appropriations Committee and the floor manager for the resolution, confirmed Congressman Slack's understanding of the resolution:

> "Mr. BAUMAN. * * * But so far as the interpretation of this sentence which is drafted in the conjunctive, I am afraid that somebody in drafting has created a limit, as I have described it, and if that is not the case, I think someone should tell the House what the additional sums of interest might approach, given a 14- to 15-percent prime rate. * * *
>
> "Mr. WHITTEN. That is not the interpretation placed on it by the committee, and I say that for the Record." 125 Cong. Rec. H12378 (daily ed., December 20, 1979). See also 125 Cong. Rec. E6353-54 (daily ed., December 20, 1979) (Remarks of Mr. Rousselot and Mr. Whitten.) */

As noted by Congressman Slack during the floor debates, the House Appropriation Committee's interpretation of H.J. Res. 467 conforms to the language of H.R. 5860, enacted into law as the Chrysler Corporation Loan Guarantee Act of 1979. Section 8 of H.R. 5860 as reported limited the principal amount of guaranteed loans outstanding at any one time to $1.5 billion. The House report on H.R. 5860 contained an explanation of section 8 from the Acting Secretary of Treasury to the effect that only the principal amount of any guaranteed loan, and not the amount of interest guaranteed, counts toward the $1.5 billion. H. Rep. No. 96-690, 96th Cong., 1st Sess. 16 (1979). Similarly, although the Senate debate on H.J. Res. 467 did not specifically consider this issue, Senator Eagleton explained during the floor debates that H.J. Res. 467 was "consistent with the authorizing legislation." 125 Cong. Rec. S19415 (daily ed., December 20, 1979). In this regard, both

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*/ Congressman Hyde, on the floor of the House, requested a unanimous consent agreement to modify H.J. Res. 467 to resolve the ambiguity. Both the Chairman of the House Appropriations Committee, Mr. Whitten, and the Chairman of the House Appropriations Subcommittee on State, Justice and Commerce, accepted the modification. However, Mr. Bauman objected, noting that "if there was any correct interpretation given by those who felt this was a cap [on both principal and interest]," the Hyde modification would dispel it. 125 Cong. Rec. H12379 (daily ed., December 20, 1979) (remarks of Mr. Bauman).

S. 2094, as reported, and H.R. 5860, as passed by the Senate, limited the authority of the Board to extend loan guarantees beyond a specified aggregate principal amount outstanding. S. 2094, §8(a), 96th Cong., 1st Sess. (1979) and H.R. 5860 §8, reprinted at 125 Cong. Rec. S19218 (daily ed., December 19, 1979). We observe that neither bill purported to place any limitation on the amount of interest that may be outstanding at any one time.

In view of the legislative history of H.J. Res. 467, and most especially the unequivocal statement of the Chairman of the House Appropriations Committee, the absence of any indication of disagreement on this point between the House and the Senate, and in view of the appropriateness of again reading the resolution in conjunction with the Guarantee Act, we conclude that the $1.5 billion of contingent liability relates only to loan principal and that any contingent liability for loan interest shall be in addition thereto.

Elmer B. Staats

Comptroller General
of the United States